

SOLANO COUNTY ECONOMIC FORECAST

Solano County is located on the Northeast edge of the San Francisco Bay, approximately halfway between San Francisco and Sacramento. Solano County has a population of 434,100 people and a total of 137,600 wage and salary jobs. The per capita income in Solano County is \$46,576 and the average salary per worker is \$69,911.

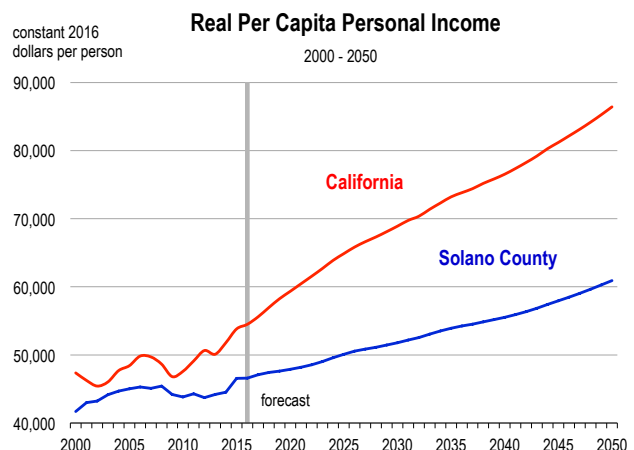
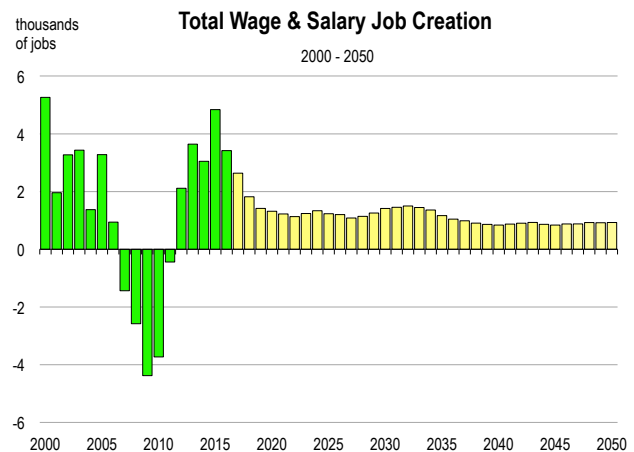
In 2016, employment in Northern California increased by 3.2 percent, whereas employment in the greater Bay Area grew by 3.3 percent. In Solano County, a total of 3,400 wage and salary jobs were created, representing an increase of 2.6 percent. The unemployment rate improved during the year, falling from 5.9 percent in 2015 to 5.5 percent in 2016.

Most major sectors gained jobs in 2016. The largest increases were observed in education and healthcare (+1,300 jobs), construction (+1,100 jobs), and government (+370 jobs). The largest losses were in professional and business services (-200 jobs), and information (-40 jobs).

From 2011 to 2016, the Solano County population increased at an annual average rate of 0.9 percent. Net migration accounted for almost half of this growth, with an average of 1,800 net migrants entering the county each year.

FORECAST HIGHLIGHTS

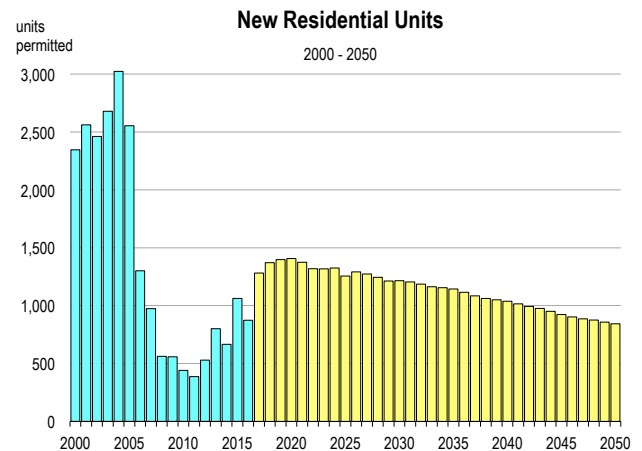
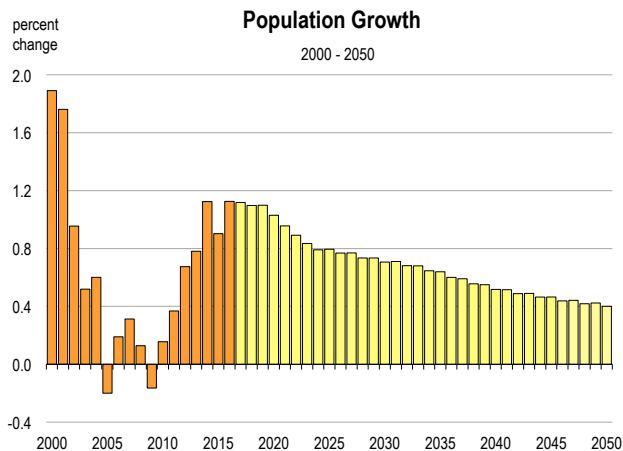
- In 2017, total employment will increase by 1.9 percent. Between 2017 and 2022, the annual growth rate is expected to average 1.0 percent.
- Average salaries in Solano County are virtually identical to the California state average, but will grow more slowly than salaries across the state. Between 2017 and 2022, inflation-adjusted salaries are projected to increase by 0.8 percent per year in Solano County, compared to 2.1 percent per year across California.
- Between 2017 and 2022, the largest employment increases will occur in education and healthcare, construction, professional services, wholesale and retail trade, and government. Together, these sectors will account for 75 percent of net job creation in the county.
- The population is expected to grow by 1.1 percent in 2017. Over the 2017-2022 period, growth will average 1.0 percent per year.
- Net migration will be strong over the forecast period. From 2017 to 2022, an average of 2,700 net migrants will enter the county each year, accounting for 60 percent of all population growth.
- Real per capita income is forecast to rise by 1.1 percent in 2017. Between 2017 and 2022, real per capita income will grow at an average rate of 0.6 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 1.7 percent per year during the 2017-2022 period.
- Industrial production is expected to increase by 6.2 percent in 2017. Between 2017 and 2022, the growth rate will average 2.1 percent per year.



Solano County Economic Forecast

2010-2016 History, 2017-2050 Forecast

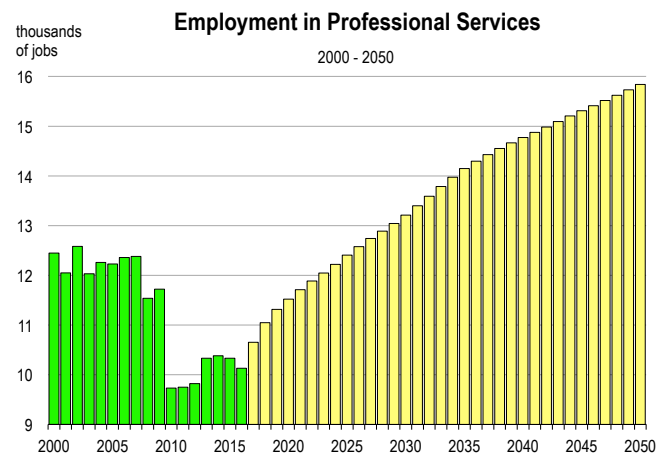
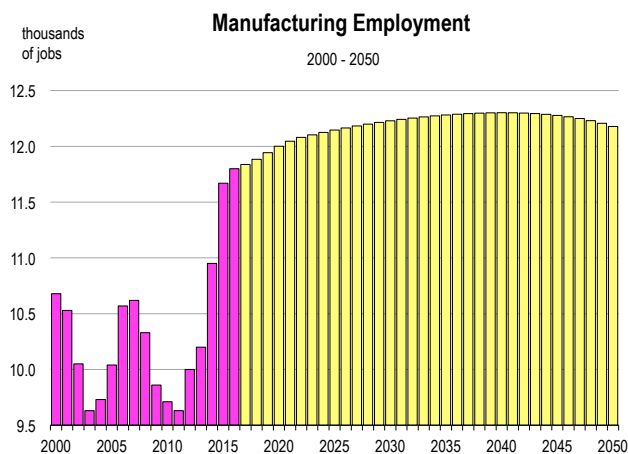
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	413,129	-1,769	371	141.8	441	\$5.2	\$15.5	\$43,814	1.3	303.8	2.9	12.6
2011	414,648	-818	365	142.6	388	\$5.8	\$16.1	\$44,280	2.7	332.7	2.8	12.2
2012	417,443	604	368	143.6	529	\$6.0	\$16.4	\$43,721	2.7	380.9	2.9	10.7
2013	420,701	1,042	381	145.1	800	\$6.4	\$17.1	\$44,207	2.3	378.5	3.0	9.1
2014	425,430	2,486	389	146.0	666	\$6.7	\$17.9	\$44,517	2.8	400.1	3.3	7.5
2015	429,267	1,713	402	146.8	1,063	\$7.0	\$19.4	\$46,569	2.6	364.5	3.5	5.9
2016	434,102	2,908	415	147.8	873	\$7.3	\$20.2	\$46,576	3.0	364.5	3.6	5.5
2017	438,955	2,997	426	148.6	1,281	\$7.6	\$21.3	\$47,080	3.1	367.4	3.8	5.2
2018	443,772	2,970	438	149.8	1,371	\$8.1	\$22.3	\$47,408	3.0	378.8	3.9	5.0
2019	448,649	3,038	448	151.1	1,398	\$8.4	\$23.3	\$47,635	2.6	384.3	3.9	5.2
2020	453,268	2,785	457	152.4	1,407	\$8.8	\$24.4	\$47,878	3.1	386.1	4.0	5.2
2021	457,603	2,503	466	153.6	1,374	\$9.2	\$25.5	\$48,187	3.0	387.8	4.1	5.2
2022	461,684	2,256	474	154.9	1,319	\$9.6	\$26.7	\$48,557	3.0	388.9	4.2	5.3
2023	465,537	2,035	481	156.1	1,317	\$10.1	\$28.0	\$49,037	3.0	390.1	4.3	5.2
2024	469,220	1,873	488	157.3	1,325	\$10.6	\$29.4	\$49,598	2.9	391.2	4.4	5.1
2025	472,949	1,931	494	158.6	1,256	\$11.1	\$30.8	\$50,078	2.9	392.4	4.5	5.0
2026	476,585	1,854	500	159.7	1,291	\$11.6	\$32.2	\$50,556	2.8	393.6	4.6	4.9
2027	480,252	1,914	505	160.9	1,273	\$12.1	\$33.6	\$50,865	2.9	394.7	4.7	4.8
2028	483,780	1,810	510	162.1	1,244	\$12.6	\$34.9	\$51,130	2.7	395.9	4.8	4.8
2029	487,334	1,866	515	163.2	1,213	\$13.1	\$36.3	\$51,441	2.5	397.0	4.9	4.8
2030	490,776	1,785	520	164.3	1,215	\$13.8	\$37.7	\$51,802	2.4	398.2	5.0	4.8
2031	494,263	1,861	524	165.5	1,205	\$14.4	\$39.1	\$52,201	2.3	399.4	5.1	4.8
2032	497,631	1,779	528	166.6	1,186	\$15.1	\$40.7	\$52,554	2.5	400.5	5.3	4.8
2033	501,017	1,840	533	167.7	1,163	\$15.8	\$42.2	\$53,044	2.1	401.7	5.4	4.8
2034	504,255	1,738	537	168.7	1,155	\$16.5	\$43.8	\$53,507	2.3	402.8	5.5	4.8
2035	507,479	1,771	540	169.8	1,144	\$17.2	\$45.5	\$53,935	2.4	404.0	5.7	4.8
2036	510,527	1,639	544	170.8	1,115	\$17.9	\$47.3	\$54,239	2.8	405.2	5.8	4.8
2037	513,545	1,656	548	171.9	1,084	\$18.6	\$49.3	\$54,520	2.9	406.3	5.9	4.8
2038	516,400	1,540	551	172.9	1,062	\$19.3	\$51.2	\$54,868	2.7	407.5	6.1	4.8
2039	519,240	1,571	554	173.8	1,050	\$20.0	\$53.2	\$55,173	2.9	408.6	6.2	4.8
2040	521,927	1,464	558	174.8	1,038	\$20.7	\$55.4	\$55,507	2.8	409.8	6.4	4.8
2041	524,617	1,509	561	175.8	1,015	\$21.4	\$57.5	\$55,912	2.6	410.9	6.5	4.8
2042	527,178	1,420	564	176.7	993	\$22.1	\$59.7	\$56,366	2.5	412.1	6.7	4.8
2043	529,761	1,482	567	177.6	976	\$22.8	\$62.0	\$56,864	2.4	413.3	6.8	4.8
2044	532,223	1,399	569	178.5	951	\$23.5	\$64.3	\$57,430	2.2	414.4	7.0	4.8
2045	534,698	1,449	572	179.4	923	\$24.2	\$66.7	\$57,941	2.4	415.6	7.1	4.8
2046	537,041	1,355	575	180.2	903	\$25.0	\$69.2	\$58,491	2.3	416.7	7.3	4.8
2047	539,414	1,418	578	181.1	886	\$25.7	\$71.8	\$59,056	2.3	417.9	7.5	4.8
2048	541,672	1,334	580	181.9	876	\$26.5	\$74.6	\$59,655	2.3	419.1	7.6	4.7
2049	543,966	1,401	583	182.7	858	\$27.3	\$77.4	\$60,278	2.3	420.2	7.8	4.7
2050	546,145	1,318	585	183.5	843	\$28.1	\$80.4	\$60,930	2.3	421.4	8.0	4.7

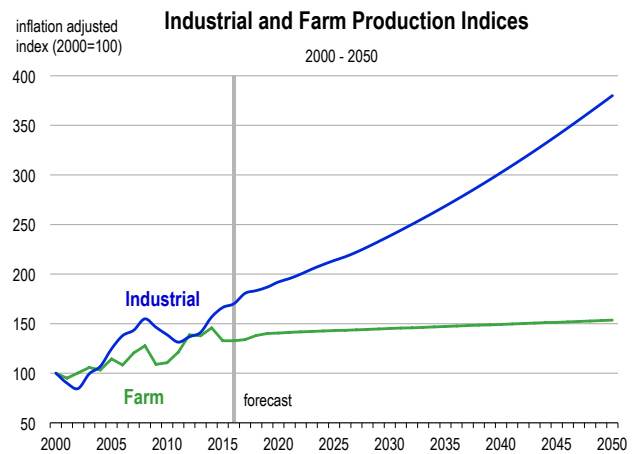
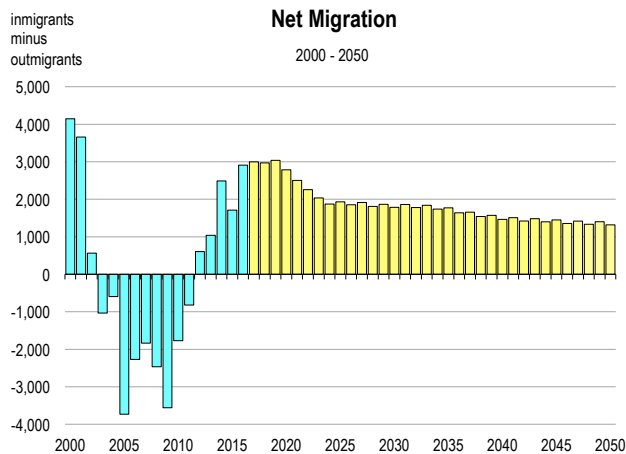
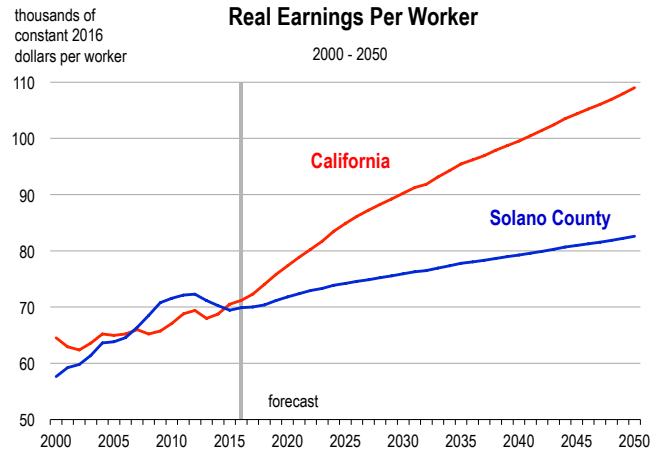
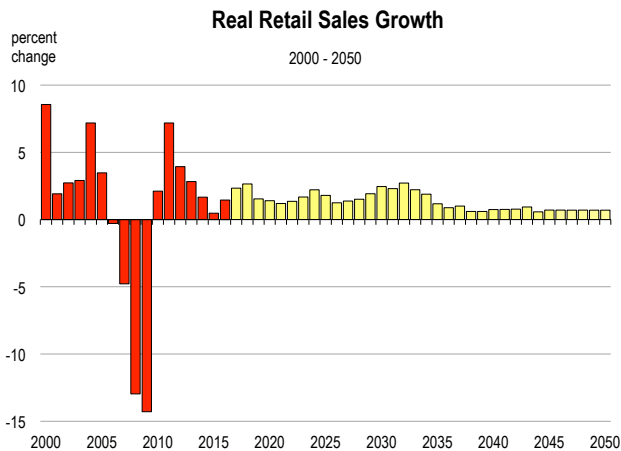


Solano County Employment Forecast

2010-2016 History, 2017-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2010	121.0	1.39	7.2	9.7	4.2	20.6	5.2	9.7	1.3	20.1	13.0	24.9
2011	120.6	1.41	7.8	9.6	3.7	20.5	5.1	9.8	1.1	20.2	13.2	24.3
2012	122.7	1.49	8.1	10.0	3.6	21.2	5.0	9.8	1.1	20.8	13.4	24.1
2013	126.3	1.67	8.6	10.2	3.5	21.4	5.1	10.3	1.1	22.4	13.7	24.0
2014	129.4	1.79	8.3	11.0	4.0	21.8	4.8	10.4	1.1	23.1	14.3	24.4
2015	134.2	1.77	9.1	11.7	4.3	22.8	4.9	10.3	1.1	24.3	14.8	24.8
2016	137.6	1.77	10.2	11.8	4.5	22.8	5.2	10.1	1.1	25.6	15.0	25.2
2017	140.3	1.78	10.8	11.8	4.7	23.0	5.2	10.7	1.1	26.0	15.4	25.4
2018	142.1	1.83	11.1	11.9	4.8	23.1	5.2	11.0	1.1	26.4	15.5	25.6
2019	143.5	1.85	11.3	11.9	4.9	23.2	5.2	11.3	1.1	26.8	15.7	25.7
2020	144.8	1.85	11.4	12.0	5.0	23.3	5.2	11.5	1.1	27.2	15.9	25.8
2021	146.0	1.86	11.4	12.0	5.0	23.4	5.2	11.7	1.1	27.6	16.1	26.0
2022	147.2	1.87	11.4	12.1	5.0	23.5	5.2	11.9	1.1	28.1	16.3	26.2
2023	148.4	1.87	11.4	12.1	5.1	23.6	5.2	12.0	1.1	28.5	16.5	26.4
2024	149.7	1.87	11.4	12.1	5.1	23.7	5.2	12.2	1.1	29.0	16.7	26.7
2025	151.0	1.88	11.4	12.1	5.1	23.9	5.2	12.4	1.1	29.4	16.8	27.1
2026	152.2	1.88	11.4	12.2	5.1	23.9	5.2	12.6	1.1	29.8	16.9	27.4
2027	153.3	1.89	11.4	12.2	5.1	24.0	5.2	12.7	1.1	30.3	17.0	27.7
2028	154.4	1.89	11.4	12.2	5.1	24.1	5.2	12.9	1.1	30.8	17.1	28.0
2029	155.7	1.90	11.4	12.2	5.1	24.2	5.3	13.0	1.1	31.3	17.2	28.3
2030	157.1	1.90	11.4	12.2	5.2	24.3	5.3	13.2	1.1	31.8	17.3	28.8
2031	158.5	1.91	11.4	12.2	5.2	24.4	5.3	13.4	1.1	32.3	17.5	29.3
2032	160.0	1.91	11.4	12.3	5.2	24.5	5.3	13.6	1.1	32.8	17.6	29.8
2033	161.5	1.91	11.4	12.3	5.2	24.6	5.3	13.8	1.1	33.2	17.8	30.4
2034	162.8	1.92	11.4	12.3	5.2	24.7	5.3	14.0	1.1	33.7	17.9	30.8
2035	164.0	1.92	11.4	12.3	5.2	24.7	5.3	14.1	1.1	34.1	18.0	31.2
2036	165.0	1.93	11.3	12.3	5.2	24.8	5.3	14.3	1.1	34.5	18.2	31.5
2037	166.0	1.93	11.3	12.3	5.2	24.8	5.3	14.4	1.1	35.0	18.3	31.7
2038	166.9	1.94	11.3	12.3	5.3	24.8	5.3	14.6	1.1	35.4	18.5	31.9
2039	167.8	1.94	11.2	12.3	5.3	24.9	5.3	14.7	1.1	35.8	18.6	32.1
2040	168.6	1.95	11.2	12.3	5.3	24.9	5.3	14.8	1.1	36.2	18.7	32.2
2041	169.5	1.95	11.2	12.3	5.3	24.9	5.3	14.9	1.1	36.6	18.9	32.4
2042	170.4	1.96	11.2	12.3	5.3	25.0	5.3	15.0	1.1	37.0	19.0	32.6
2043	171.3	1.96	11.2	12.3	5.3	25.0	5.3	15.1	1.1	37.5	19.2	32.8
2044	172.2	1.96	11.1	12.3	5.4	25.0	5.3	15.2	1.1	37.9	19.3	32.9
2045	173.0	1.97	11.1	12.3	5.4	25.0	5.3	15.3	1.1	38.3	19.5	33.1
2046	173.9	1.97	11.1	12.3	5.4	25.0	5.3	15.4	1.1	38.8	19.7	33.2
2047	174.8	1.98	11.0	12.2	5.4	25.0	5.3	15.5	1.1	39.2	19.8	33.4
2048	175.7	1.98	11.0	12.2	5.4	25.1	5.3	15.6	1.2	39.7	20.0	33.5
2049	176.6	1.99	11.0	12.2	5.5	25.1	5.3	15.7	1.2	40.2	20.1	33.7
2050	177.6	1.99	11.0	12.2	5.5	25.1	5.3	15.8	1.2	40.7	20.3	33.8





County Economic and Demographic Indicators

Projected Economic Growth (2017-2022)

Expected retail sales growth:	8.4%
Expected job growth:	4.9%
Fastest growing jobs sector:	Professional Services
Expected personal income growth:	8.5%

Expected population growth:	5.2%
Net migration to account for:	59.6%
Expected growth in number of vehicles:	11.1%

Demographics (2017)

Unemployment rate (April 2017):	4.7%
County rank* in California (58 counties):	24th
Working age (16-64) population:	65.4%

Population with B.A. or higher:	24.7%
Median home selling price (2016):	\$365,000
Median household income:	\$72,010

Quality of Life

Violent crime rate (2015):	479 per 100,000 persons
County rank* in California (58 counties):	41st
Average commute time to work (2017):	33 minutes

High School drop out rate (2016):	10.5%
Households at/below poverty line (2017):	9.9%

* The county ranked 1st corresponds to the lowest rate in California